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SITUATION REPORT

POLAND

By agreeing to Prime Minister Jaruzelski's proposed 90-day moratorium on strikes, the government and Solidarity have taken some positive steps to alleviate pressures; both, however, still face formidable obstacles in implementing the agreement.

Solidarity reportedly has accepted the moratorium on the condition that it get "something" in return. It also has called for an end to local strikes and has threatened to repudiate those who ignore the appeal. The dissident organization KOR reportedly has pledged to reduce its activities.

We believe that some in the regime calculate a moratorium will fail and that the imposition of martial law is only a matter of time. The key leaders—including Jaruzelski—understand the high risks of using force, however, and are still reluctant to do so.

In addition, the regime realizes that a period of calm relieves pressure from the Soviets, gives a greater impression of newly found party control, and has beneficial economic results. The leadership also may calculate that such a period will help reverse the escalation of demands from other groups—such as students—and will provide a useful backdrop for rest ring some unity to the party. The greatest disadvantage is that the calm can provide Solidarity the opportunity to consolidate its ranks and flesh out its organizational structure.

Solidarity may view the moratorium as an opportunity to improve its organization and may be convinced that the only alternative is the imposition of martial law. Some in the union, however, will argue that Solidarity cannot deny itself its only affective weapon—the strike.

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Even if both sides approach a strike moratorium with good intentions, they will have to overcome formidable obstacles to make it stick. The government and union will need to develop a greater sense of trust and understanding. The burden is on the government to make a show of good faith and do so quickly. It will also have to avoid confronting the union with a fait accompli, as the union believes happened over the 40-hour workweek issue, and be willing to compromise on some issues.

Both sides will have to make concerted efforts to have greater success than before at reining in their respective militants and hardliners. The Solidarity leadership may have the harder task here. It can, by its example, avoid creating an atmosphere of tension that encourages local grievances.

The government will have to be willing to tolerate a certain level of labor unrest. Solidarity cannot control all of its local chapters, and local government and party officials will continue to make mistakes.

In an inaugural speech yesterday that mixed moderation and toughness, Jaruzelski indicated that the government is prepared to continue using the political process before invoking force. Jaruzelski said that, to facilitate a dialogue, he will establish a permanent joint government—union commission. The commission probably will be headed by new Deputy Premier Rakowski, a party liberal who has been sensitive to the political limits of reform and who should have credibility with many tion members.

Although Jaruzelski suggested in his speech that the government will show some patience, this will be limited, in part because of continuing pressure from Moscow.

The Church will have to become more directly and consistently involved as a moderating force and to be willing to test the limits of its influence.

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## Soviet Views

The key question is the attitude Moscow will take. The Soviets have strongly endorsed Jaruzelski's appointment and will probably give Warsaw's new tack a chance. Moscow still appears reluctant to adopt the alternative course--intervening militarily without the collaboration of the Polish Government--particularly during the period through the end of the Soviet party congress in the first week of March.

The Soviets, nevertheless, will continue to maintain pressure on the regime, even during a period of relative calm, to limit the activities and influence of dissidents and militants within Solidarity. Should the moratorium break down or require significant regime concessions to Solidarity, the Soviets are likely to demand that the Polish party implement martial law.

## Military Activity

Soviet military forces in the western USSR and East European countries are engaging in training activity.

